

## **A RESOLUTION**

**BY THE TEXAS HIGHER EDUCATION COORDINATING BOARD APPROVING AMENDMENTS TO THE STANDBY BANK BOND PURCHASE AGREEMENT ENTERED INTO IN CONNECTION WITH THE BOARD'S STATE OF TEXAS VARIABLE RATE COLLEGE STUDENT LOAN AND REFUNDING BONDS, SERIES 2003; AND RESOLVING OTHER MATTERS RELATING TO THE SUBJECT**

**WHEREAS**, the Texas Higher Education Coordinating Board (the "Board"), an agency of the State of Texas, has previously issued its State of Texas Variable Rate College Student Loan and Refunding Bonds, Series 2003 in the aggregate principal amount of \$178,190,000 (the "2003 Bonds") pursuant to a Bond Resolution adopted by the Issuer on January 30, 2003 (the "2003 Bond Resolution"); and

**WHEREAS**, in connection with the 2003 Bonds, the Board and Landesbank Hessen-Thüringen Girozentrale, acting through its New York Branch (the "Purchaser"), heretofore have entered into a Standby Bank Bond Purchase Agreement dated as of February 1, 2003 (the "2003 Agreement"), pursuant to which the Purchaser agreed to purchase Tendered Bonds (as defined in the 2003 Agreement) upon the terms and conditions set forth in the 2003 Agreement in order to provide liquidity support for the 2003 Bonds; and

**WHEREAS**, the Board has approved, pursuant to a separate resolution of the Board as of the date hereof, the issuance of its State of Texas Variable Rate College Student Loan Refunding Bonds, Series 2004 (the "2004 Bonds") and the execution of a Standby Bank Bond Purchase Agreement dated as of May 1, 2004 (the "2004 Agreement") with the Purchaser, pursuant to which the Purchaser has agreed to purchase Tendered Bonds (as defined in the 2004 Agreement) upon the terms and conditions set forth the 2004 Agreement in order to provide liquidity support for the 2004 Bonds; and

**WHEREAS**, the 2003 Agreement is scheduled to terminate on February 17, 2010, unless terminated earlier or otherwise extended in accordance with its terms; and

**WHEREAS**, the 2004 Agreement is scheduled to terminate on December 31, 2015, with an option of the Purchaser to terminate it earlier on May 27, 2011, with prior notice to the Board on or before December 1, 2010; and

**WHEREAS**, the Board now desires to amend the 2003 Agreement in order to provide for the same termination provisions as set forth in the 2004 Agreement; and

**WHEREAS**, the Board has been presented with the First Amendment to Standby Bank Bond Purchase Agreement dated as of June 1, 2004 (the "First Amendment"), with the Purchaser for the purpose of extending the termination date of the 2003 Agreement to December 31, 2015, with an option of the Purchaser to terminate it earlier on May 27, 2011, with prior notice to the Board on or before December 1, 2010; and

**WHEREAS**, Section 7.01 of the 2003 Agreement provides that no amendment to the 2003 Agreement shall be effective unless the same shall be in writing and signed by the other parties thereto; and

**WHEREAS**, the Board has covenanted in Section 10.04 of the 2003 Resolution that it will give prior notice to S&P and Moody's (as such terms are defined in the 2003 Resolution) of any amendment to the 2003 Agreement; and

**WHEREAS**, the Board has been presented with and has examined the form of the First Amendment; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; and

**WHEREAS**, the Board now desires to approve the First Amendment to amend the provisions of the 2003 Agreement as herein provided and desires to take certain other actions with respect to the First Amendment;

**NOW, THEREFORE, BE IT RESOLVED BY THE TEXAS HIGHER EDUCATION COORDINATING BOARD:**

**Section 1. FINDINGS.** It is hereby found and determined that the matters and facts set out in the preamble to this resolution are true and correct.

**Section 2. APPROVAL OF FIRST AMENDMENT.** The form and substance of the First Amendment presented to and considered at this meeting are hereby in all respects approved and adopted. Each of the Chair, Vice Chair, Secretary, Commissioner, Deputy Commissioner and the Assistant Commissioner for Administrative Services of the Board are hereby severally authorized and directed to execute the First Amendment in substantially the form presented herewith and deliver the same to the Purchaser.

**Section 3. OTHER ACTIONS.** Each of the Chair, Vice Chair, Secretary, Commissioner, Deputy Commissioner and the Assistant Commissioner for Administrative Services of the Board are hereby severally authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Board all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this resolution, including, but not limited to, to provide prior notice regarding the First Amendment to S&P and Moody's, as required by Section 10.04 of the 2003 Resolution.

**Section 4. POWER TO REVISE FORM OF DOCUMENTS.** Notwithstanding the foregoing, each of the authorized representatives of the Board named in this resolution are hereby severally authorized to make or approve such revisions in the form of the First Amendment as may be necessary or convenient to carry out or assist in carrying out the purposes

of this resolution, such approval to be evidenced by the execution of the First Amendment by the authorized representatives of the Board named in this resolution.

**Section 5. EFFECTIVE DATE.** This resolution shall be in full force and effect from and upon its adoption.

[Execution Page Follows]

***ADOPTED AND APPROVED THIS 22nd DAY OF APRIL, 2004.***

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Secretary,  
Texas Higher Education Coordinating Board

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Chair  
Texas Higher Education Coordinating Board

(Seal)